

16 March 1948

MEMORANDUM FOR THE RECORD

SUBJECT: Procedure for consolidating Agency tax reports and accountings

1. On 16 March 1948 a meeting was held concerning the above captioned subject with representatives of the Special Funds Division, OSC and the Fiscal Division, Budget and Finance Branch present. The meeting concerned itself with the arrangements which had previously been made on 28 January 1948 by representatives of the General Counsel, Special Funds Division, OSC and Budget and Finance Branch, AIA with the Chief, Wage and Excise Division, Collector of Internal Revenue, Baltimore, Maryland.

2. It was agreed at the meeting that the following procedures would be followed:

a. For the quarter ending 31 March 1948, the Depository receipts applicable to the tax deductions made by the Special Funds Division for the months of January and February, together with a check covering the withholding tax for the last pay period of the quarter, would be forwarded to the Accounts Section, Fiscal Division through the Office of the Chief, Budget and Finance Branch together with Form 8-1. The Office of the Chief, Budget and Finance Branch will arrange for the consolidation of Form 8-1 for all vouchered and unvouchered personnel and by depositing the check for the last pay period covering unvouchered deductions will be able to draw one check on the Treasury of the United States payable to the Collector of Internal Revenue for the entire quarter.

100-10000
73-12004 ✓

- 2 -

b. Effective for all quarters subsequent to 31 March 1948, the Special Funds Division, CSC will forward to the Office of the Chief, Budget and Finance Branch, a check made payable to the Treasurer of the United States for the amount of the tax withheld at the close of each 26 day pay period. These funds will currently be deposited with the Treasurer of the United States in a similar manner as the amounts applicable to taxes withheld from the salaries of vouchered personnel except for reconciliation purposes separate controls will be maintained in the Accounts section, Fiscal Division. Form #1 will be forwarded by the Special Funds Division, CSC to the Office of the Chief, Budget and Finance Branch within 10 days after the close of each calendar quarter and the information reflected on the Form #1 will be consolidated with that available in the Special Services Division and the Payroll section, Fiscal Division so that a consolidated Form #1 together with one check issued by the Chief disbursing Officer, Treasury Department may be forwarded by the Office of the Chief, Budget and Finance Branch to the Chief, Wage and Excise Tax Division, Collector of Internal Revenue, Baltimore, Maryland.

c. As soon as possible after the last payment is effected in each calendar year, but not later than 15 January of the following year, the Special Funds Division, CSC will make a final report on Form #1 and execute Form #2 to cover the entire year and forward such forms together with the applicable copies of Form #2a to the Office of the Chief, Budget and Finance Branch. In general accordance with the procedure outlined under sub-paragraph a and b above, the Office of

25X1
- 3 -

the Chief will cause to be made the necessary consolidated reports after appropriate reconciliation has been effected by the Accounts Section, Fiscal Division and will then forward one check drawn by the Chief Disbursing Officer made payable to the Collector of Internal Revenue together with all the forms. The consolidated forms, in addition to the N-2as, will consist of Forms N-1 and N-3, adding machine tapes to evidence verification of the total amount reported with the individual N-2as, and an accompanying transmittal letter setting forth any necessary information concerning reconciliation or adjustments.

d. It was concluded that it would be preferable for the Assistant Chief, Budget and Finance Branch normally to sign the consolidated reports and transmittal letter. This was considered desirable in order that the Chief, Wage and Expense Division, Collector of Internal Revenue, Baltimore, Maryland would have contact in this regard insofar as correspondence and reports were concerned with one of the individuals having previously made personal contact with him regarding this entire problem. In the absence of the Assistant Chief, Budget and Finance Branch, it was agreed that either the Assistant General Counsel or the Assistant Chief, Special Funds Division, namely [redacted]

25X1

25X1

[redacted] respectively would sign the transmittal and accompanying reports.

e. The matter of showing only "The Government" on all forms N-2 with respect to the entire Agency was discussed with the view in mind of ascertaining that all individuals required to perform related duties would be fully

- 4 -

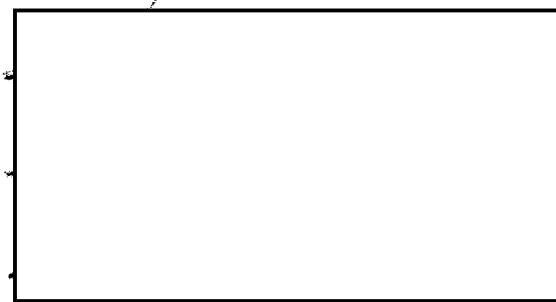
cognisant with the developments which had occurred and the reasons thereof.
It was indicated that substantial clarification of arrangements made with
Mr. Robert C. Loker could be obtained by reference to [redacted]
letter of 30 January 1948.

25X1



Assistant Chief,
Budget and Finance Branch

Concurred in:



25X1